



OFFICE OF  
**LEGISLATIVE AUDITOR**  
STATE OF LOUISIANA  
BATON ROUGE, LOUISIANA 70804-9397

1600 NORTH THIRD STREET  
POST OFFICE BOX 94397  
TELEPHONE: (225) 339-3800  
FACSIMILE: (225) 339-3870

January 7, 2004

Mr. Edward Saal Jr., Chairman,  
and Members of the Housing Authority of  
Gueydan Board of Commissioners  
707 Wilkinson St.  
Gueydan, LA 70542

Dear Mr. Saal:

We performed a limited review of the financial records of the Gueydan Housing Authority (Authority) for the period beginning July 1, 2002, and ending December 10, 2003. We also reviewed the Authority's policies and procedures as well as the board meeting minutes. The scope of our work was significantly less than those required by *Government Auditing Standards* in the audit of the Authority's financial statements; therefore, we are not offering an opinion on the Authority's financial statements, the Authority's system of internal control, or assurance as to compliance with laws and regulations.

As part of our review, we noted certain matters that we want to bring to the attention of the board and management for consideration. We offer the following comments and suggestions:

**1. Lack of Policies and Procedures**

- a. **Travel Policy:** The Authority has no written travel policy. A written policy detailing allowable expenses for business, conference, and seminar travel should be established.
- b. **Credit Cards:** The Authority has one credit card account. Written policies and enforced procedures that provide guidance for the business use and supporting documentation of credit cards should be established. Credit card statements alone are not sufficient documentation. The Authority should require detailed documentation of each credit card purchase.
- c. **Board Minutes:** The Authority produces written records of its public meetings in a timely fashion. To comply with Louisiana Revised Statute 42:7.1, proceedings of board meetings should also be published within a reasonable time after the meeting.
- d. **Capital Assets:** The Authority's capital assets are not tagged or periodically inventoried. In an effort to safeguard capital assets, they should be tagged as well as physically inventoried periodically.

- e. **Investment Policy:** Louisiana law requires that the entity shall adopt an investment policy that details and clarifies investment objectives and the procedures and constraints necessary to reach those objectives. The Authority should adopt an investment policy to comply with Louisiana law.
- f. **Ethics Policy:** The Authority should establish written policy consistent with the Louisiana Code of Governmental Ethics, Louisiana Revised Statutes 42:1101-1125. Management should require annual certification letters from board commissioners and employees attesting to their compliance.

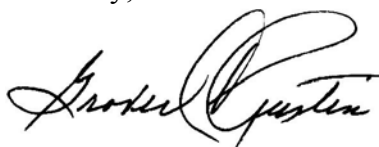
## 2. Informal Policies and Procedures

- a. **Disbursements:** The Authority should commit to writing its oral policies and procedures for the disbursement of funds. The Authority should establish and implement procedures for disbursing funds that provide a clear understanding of who may disburse funds as well as how and when they should be disbursed.
- b. **Payroll and Attendance Records:** The Authority should commit to writing its oral policies and procedures. The policies and procedures should require documentation such as simple time reports indicating hours worked, time report approval by management, and simple records to account for sick leave earned and vacation taken should they apply. Personnel files should include signed I-9 forms, signed job descriptions, approved employee pay rates, and completed job applications.

This letter is intended solely for the information and use of the board of commissioners and management of the Gueydan Housing Authority and is not intended to be, and should not be, used by anyone other than the board or management. Under Louisiana Revised Statute 24:513, this letter is distributed by the Legislative Auditor as a public document.

If you have any questions, please contact me at (225) 339-3839 or Mr. Daryl Purpera at (225) 339-3807.

Sincerely,



Grover C. Austin, CPA  
First Assistant Legislative Auditor

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